

MINUTES OF THE ANNUAL MEETING OF THE FAIRFAX COUNTY
REDEVELOPMENT AND HOUSING AUTHORITY

July 21, 2005

On July 21, 2005, the Commissioners of the Fairfax County Redevelopment and Housing Authority (FCRHA) met in the FCRHA Board Room, One University Plaza, 4500 University Drive, Fairfax, Virginia, at 6:50 p.m., for a presentation on Magnet Housing Program. Elisa Johnson, Grants Coordinator, HCD, updated the FCRHA on the progress of the program, which currently serves the Fire and Rescue and Police Departments. She introduced Kevin Kincaid, Deputy Fire and Rescue Chief, who made brief comments and then extended thanks for the program, indicating that it has helped in the recruitment and retention efforts of the Fire and Rescue Department. After the presentation, Ms. Johnson and Deputy Chief Kincaid responded to questions from the Commissioners.

The FCRHA Commissioners extended thanks to the Fire and Rescue Department for the presentation.

CALL TO ORDER

FCRHA Chair Conrad Egan called the annual meeting of the FCRHA to order at 7:05 p.m. FCRHA Commissioners present or absent for a portion or all of the meeting were as follows:

PRESENT

Conrad Egan
Ronald Christian
Martin Dunn
Willard Jasper
John Kershenstein
H. Charlen Kyle
Elisabeth Lardner
John Litzenberger
Al McAloon
Lee A. Rau

ABSENT

Joan Sellers

Also present at the meeting were the following staff of the Department of Housing and Community Development (HCD): Paula C. Sampson, Director; Mary A. Stevens, Deputy Director; Harry Swanson, Deputy Director, Revitalization and Real Estate; Patti Schlener, Director of Administration; Kristina Norvell, Director, HCD Office of Public Affairs; Michael Wever, Chief, Housing Services Branch, HMD; Robert Eiffert, Director of Senior and Specialized Housing; Curtis Hall, Director, Information Systems and Services (ISS); John Payne, Director, Design, Development and Construction (DD&C) Division; Gordon Goodlett, Development Officer, DD&C; Steve Solomon, Director, Financial Management Division (FMD); Joe Maranto, Fiscal Administrator, FMD; Penny Xu, Fiscal Administrator, FMD; Aseem Nigam, Director, Real Estate Finance and Grants Management Division (REFGM); Audrey Spencer Horsley, Associate Director, REFGM; Louise Milder, Associate Director, REFGM; Michael Pearman, Management Analyst, REFGM; Elisa Johnson, Grants Coordinator, REFGM; Lamont Akins, Housing Community Developer, REFGM;

Michael Pearman, Management Analyst, REFGM; and Winifred A. Clement, FCRHA Assistant. Other Fairfax County staff in attendance: David Bobzien, County Attorney; Alan Weiss and David Stroh, Assistant County Attorneys and FCRHA Counsel.

ELECTION OF OFFICERS

Commissioner Egan turned the gavel over to the Vice Chairman, Commissioner Christian, to chair the meeting since he (Commissioner Egan) was a candidate for election. Nominations were opened for Chairman of the FCRHA.

A motion was made by Commissioner Kershenstein, seconded by Commissioner Rau, to nominate Conrad Egan for Chairman of the FCRHA. A motion was made by Commissioner McAloon, seconded by Commissioner Jasper, to close the nominations. A vote was taken on the motion to close the nominations and the motion carried unanimously. A motion was made by Commissioner Kershenstein, seconded by Commissioner Rau, to elect Conrad Egan as Chair of the FCRHA. A vote was taken on the motion to elect Commissioner Egan as Chair of the FCRHA as follows:

AYE

Conrad Egan
Ronald Christian
Martin Dunn
Willard Jasper
Elizabeth Lardner
John Litzenberger
John Kershenstein
Charlen Kyle
Albert McAloon
Lee Rau

NAY

ABSTAIN

The motion carried and Commissioner Egan was re-elected as Chair of the FCRHA. Commissioner Christian returned the gavel to Chairman Egan and congratulated him for his re-election as Chair.

Chairman Egan thanked his colleagues for re-electing him and for their commitment and dedicated service over the course of last year. He complimented the chairs of all the various committees of the FCRHA and attributed the real success of the FCRHA to them.

Nominations were opened for Vice Chair. A motion was made by Commissioner Kershenstein, seconded by Commissioner Jasper, nominating Commissioner Christian as Vice-Chair of the FCRHA. A motion was made by Commissioner McAloon, seconded by Commissioner Kyle, to close election for Vice Chair of the FCRHA. The motion carried unanimously. A motion was made by Commissioner Kershenstein, seconded by Commissioner Jasper to elect Commissioner Christian as Vice Chair of the FCRHA. A vote was taken as follows:

AYE

Conrad Egan
Ronald Christian
Martin Dunn
Willard Jasper
Elizabeth Lardner
John Litzenberger
John Kershenstein
Charlen Kyle
Albert McAloon
Lee Rau

NAY

ABSTAIN

The motion carried unanimously and Commissioner Christian was elected Vice Chair of the FCRHA.

The Commissioners congratulated Mr. Christian for his re-election as Vice Chair of the FCRHA and for his commitment. Commissioner Christian extended thanks to his colleagues for his re-election and for their confidence reposed in him. He also extended thanks to the HCD staff for the good work over the course of the year.

Commissioner Egan thanked HCD staff, under the direction of HCD Director Paula Sampson and other Fairfax County staff, including the County Attorney's office for the excellent service and cooperation they have given leadership and for the great work they have continued to do. He expressed his continued support for affordable housing and said he looks forward to support from the Board of Supervisors for the *Penny for Housing* Program.

The FCRHA Chair closed the elections at 7:17 p.m.

TAX EQUITY AND FISCAL RESPONSIBILITY ACT OF 1982 (TEFRA) HEARING CONCERNING ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS HOLLYBROOKE II APARTMENTS) SERIES 2005

The Chair opened the TEFRA Public Hearing at 7:18 p.m. With no one signed up and no one in the audience wishing to speak, the Chair closed the public hearing at 7:19 p.m.

CITIZEN TIME

The Chairman opened Citizen Time at 7:20 P.M. Pam Gannon, a member of the SRO Task Force, testified on behalf of Michelle Krockner, Chair, Marketing and Integration Committee, on the current status of the Task Force, a collaboration of public/private agencies and developers. She reported that the final report will be available before the next FCRHA meeting in September. Ms. Gannon reported that several developers associated with the Task Force are interested in the program. Ms. Gannon read a resolution adopted by the South County Federation, opposing the development of SROs

and all other low income housing in the Laurel Hill area and the former Lorton prison site. Ms. Gannon extended appreciation for the assistance they have received from the FCRHA and asked that the FCRHA review the Task Force's recommendations and share any additional comments they might have for the report.

Commissioner Egan referred to staff the request for financial assistance in publishing the Task Force's report, including putting it on the web. He asked Ms. Gannon to extend thanks to Ms. Krockner. Without any other speaker wishing to testify, the Chair closed Citizen Time at 7:29 p.m.

APPROVAL OF MINUTES

A motion was made by Commissioner Jasper, seconded by Commissioner Kershenstein, to approve the minutes of the meeting of May 26, 2005, as written. Commissioner Kershenstein requested that the minutes be amended to include his comment that the 30 ADU's proposed units to be purchased in Springfield District be funded as part of the *Penny for Housing* program.

A vote was taken, the motion carried, and the Minutes of the May 26, 2005 FCRHA meeting were approved, as amended, with Commissioners Rau and Dunn abstaining.

A motion was made by Commissioner Christian, seconded by Commissioner Litzenberger, that the FCRHA approve the Minutes of June 8, 2005 Special FCRHA Meeting as written. Commissioner McAloon requested that correction be made to his name. A vote was taken to adopt the June 8 minutes, as corrected. The motion carried, with Commissioners Jasper, Kershenstein, Lardner, and Rau abstaining.

A motion was made by Commissioner Jasper, seconded by Commissioner Litzenberger, to adopt the July 8, 2005 Special FCRHA meeting as written. A vote was taken, and the motion carried with Commissioners Dunn, Lardner, Rau, and McAloon abstaining.

Without objection the Chair modified the agenda to consider Administrative Item 1 and 2, Resolution Number 51-05 and 52-05, in deference to Mike Finkle and Jim Bray, former employees of HCD, who recently retired from Fairfax County.

ADMINISTRATIVE ITEMS

1. RESOLUTION NUMBER 51-05

COMMENDING MIKE FINKLE FOR HIS SERVICE TO THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

WHEREAS, Mike Finkle served the Fairfax County Redevelopment and Housing Authority since 1980 in the Housing Management Division, as a housing

specialist, manager, supervisor, Chief of Housing Services, and most recently as Director of Housing Management;

WHEREAS, during his years of service at the Department of Housing and Community Development the FCRHA experienced tremendous program growth while also earning numerous awards from national associations and special recognitions as a High Performer from the U.S. Department of Housing and Urban Development;

WHEREAS, in performance of his duties he placed a high value on promoting self-sufficiency and homeownership to residents living in FCRHA-owned housing and participants in FCRHA rental housing programs;

WHEREAS, Mike Finkle participated in an exemplary manner on numerous County interagency committees and task forces, including service in leadership positions, and led efforts to coordinate service among social service providers throughout the County;

WHEREAS, he continually demonstrated commitment to improving housing access for persons with disabilities through working cooperatively with providers and advocates of persons with disabilities;

WHEREAS, on June 30, 2005 Mike Finkle concluded his service to the county having completed more than 25 years of service to the County and his community;

NOW THEREFORE BE IT RESOLVED that the FCRHA expresses its sincere appreciation for his dedication and distinguished service to the County and its citizens.

BE IT FURTHER RESOLVED that the FCRHA wishes Mike Finkle a long, healthy and prosperous retirement.

After the Chair made brief comments on the resolution, commending Mr. Finkle for his years of service to the FCRHA, a motion was made by Commissioner Christian, seconded by Commissioner McAloon, that the FCRHA adopt Resolution Number 51-05. A vote was taken and the motion carried unanimously.

The Chair thanked Mr. Finkle for his years of service and wished him a prosperous retirement. Among other comments, Commissioner Kyle thanked Mr. Finkle for his part in establishing the Resident Advisory Council. Mr. Finkle thanked HCD staff and the Commissioners of the FCRHA and said he is very proud to have been associated with the HCD and the FCRHA.

2. RESOLUTION NUMBER 52-05

COMMENDING JIM BRAY FOR HIS SERVICE TO THE
FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY

WHEREAS, James W. Bray has served the citizens of Fairfax County as a senior loan officer in the Department of Housing and Community Development since June 6, 1994; and

WHEREAS, during his tenure he has played a lead role in arranging more than \$66 million in debt financing which enabled the preservation and production of properties owned by the Fairfax County Redevelopment and Housing Authority; and

WHEREAS, he also successfully negotiated substantial unsecured lines of credit of \$10 million, and later \$15 million, which have been invaluable tools in providing temporary financing for affordable housing; and

WHEREAS, he raised more than \$15,000,000 in equity for the FCRHA through the sale of federal low income housing tax credits to private investors; and

WHEREAS, he has also faithfully attended Loan Underwriting Committee meetings and contributed greatly to the analysis of each loan request; and

WHEREAS, James W. Bray retired from County service on June 10, 2005;

NOW THEREFORE BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority expresses its gratitude to Jim Bray for his years of dedicated service to the community and to the FCRHA, and wishes him a long, happy and prosperous retirement.

After the Chair made brief comments on Resolution Number 52-05, a motion was made by Commissioner Jasper, seconded by Commissioner Litzenberger, that the FCRHA adopt Resolution 52-05. A vote was taken, and the motion carried unanimously

Mr. Bray thanked HCD staff for the opportunity afforded him to do new and varied tasks. Commissioner Dunn thanked him for always coming through and providing the information needed to get the job done on the Finance Committee.

ACTION ITEMS

1. RESOLUTION NUMBER 47-05 (as amended)

AUTHORIZATION FOR SUBMISSION TO THE BOARD OF SUPERVISORS OF A
PROPOSAL FOR TAX-EXEMPT FINANCING IN CONNECTION WITH THE
ISSUANCE AND SALE OF BONDS FOR THE ACQUISITION AND REHABILITATION
OF 98 UNITS AT THE HOLLYBROOKE II PROJECT BY AHC, INC.
(MASON DISTRICT)

WHEREAS, the Fairfax County Redevelopment and Housing Authority (the "Authority") is a political subdivision of the Commonwealth of Virginia, established pursuant to the Virginia Housing Authority Law, Title 36, Chapter 1, *Code of Virginia*, 1950, as amended (the "Act"), and is authorized thereby to issue its notes and bonds from time to time to fulfill its public purposes within the meaning of the Act; and

WHEREAS, pursuant to and in accordance with the Act, the Authority desires to issue and sell its Multifamily Housing Revenue Bonds (Hollybrooke II Project) Series 2005 in the aggregate principal amount not to exceed \$11,190,000 (the "Bonds"); consisting of \$10,000,000 of tax-exempt bonds and \$1,190,000 of taxable multifamily housing revenue bonds and

WHEREAS, the proceeds of the Bonds will be used in part to provide financing for the acquisition and rehabilitation of 98 units in the multifamily housing project known as Hollybrooke II (the "Project"), located in Fairfax County, on Patrick Henry Drive between Arlington Boulevard and Leesburg Pike, Falls Church, Virginia; and

WHEREAS, the Project will be owned by a limited partnership to be formed at the time of tax credit application with AHC, Inc. as the general partner, or a related entity, as the managing general partner, such partnership to be formed prior to issuance of the Bonds; and

WHEREAS, the Bonds are and will be limited obligations and payable from the revenues pledged thereto pursuant to the Trust Indenture pursuant to which the Bonds will be issued, and as required by the Act, the Bonds shall not be a debt of Fairfax County, Virginia, the Commonwealth of Virginia or any political subdivision thereof (other than the Authority) and neither Fairfax County, Virginia, nor the Commonwealth of Virginia or any political subdivision thereof (other than the Authority) will be liable thereon, nor in any event shall the Bonds be payable out of any funds other than those received by the Authority from the Project, and the Bonds shall not constitute an indebtedness by the Authority within the meaning of any constitutional or statutory debt limitation or restriction; and

WHEREAS, the Executed Declaration of Intent dated May 10, 2005, evidencing its intent to issue and sell the Bonds in an aggregate principal amount not to exceed \$11,190,000; consisting of \$10,000,000 of tax-exempt multifamily housing revenue bonds and \$1,190,000 of taxable multifamily housing revenue bonds.

WHEREAS, pursuant to the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA"), the Authority is required to hold a public hearing ("TEFRA Hearing") in connection with the issuance of the Bonds; and

WHEREAS, the Authority held a TEFRA Hearing on July 21, 2005; and

WHEREAS, for the purposes of compliance with Section 147(f) of the Internal Revenue Code of 1986, as amended, the proposed bond issue must be approved by the Fairfax County Board of Supervisors.

NOW, THEREFORE, BE IT RESOLVED, that Authority authorizes submission to the Fairfax County Board of Supervisors for approval of the proposed bond issue for the purpose of acquisition and rehabilitation of the Project as outlined in the item presented to the FCRHA at its meeting on July 21, 2005.

A motion was made by Commissioner Dunn, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 47-05. A brief presentation was made by Louise Milder, after which she responded to questions from the Commissioners. A vote was taken after discussion, and the motion carried unanimously.

Responding to a question from Commissioner Kershenstein whether Fairfax County residents will be given preference for occupancy at Hollybrook II, Mr. Walter D. Webdale, President and CEO of AHC, Inc., replied in the affirmative. An error was noted by staff in the rents shows on page 2 of the item, and will be corrected.

2. RESOLUTION NUMBER 48-05

AUTHORIZATION TO ALLOW ISLAND WALK LIMITED PARTNERSHIP TO PLACE A
FIFTH DEED OF TRUST ON THE ISLAND WALK PROPERTY
(HUNTER MILL DISTRICT)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) hereby approves Island Walk Limited Partnership placing a fifth Deed of Trust on the Island Walk property in the amount of \$233,953 to secure a 30-year deferred payment loan with an interest rate of zero percent (0%) as described in the item presented to the FCRHA at its meeting on July 21, 2005, for the purpose of installing elevators in the handicap accessible units at Island Walk. The beneficiary of the Deed of Trust securing the loan will be the Virginia Housing Development Authority.

The Chair recused himself from participation in and consideration of Resolution Number 48-05, since he serves on the Board of Directors for the developer of this property and turned the gavel over to the Vice Chair.

A motion was made by Commissioner Rau, seconded by Commissioner Dunn, that the FCRHA adopt Resolution Number 48-05. Louise Milder gave a brief presentation. After the presentation, she responded to questions from the Commissioners.

A vote was taken on Resolution Number 48-05 after discussion, and the motion carried, with Commissioner Egan abstaining.

The Vice Chair returned the gavel to the Chair after adoption of Resolution Number 48-05.

3. RESOLUTION NUMBER 49-05

AUTHORIZATION TO EXECUTE, SUBJECT TO APPROVALS REQUIRED UNDER THE LEASE OF THE PROPERTY, A DEED OF SEWER, PUBLIC ACCESS, AND TEMPORARY CONSTRUCTION AND GRADING EASEMENT TO THE BOARD OF SUPERVISORS OF FAIRFAX COUNTY, VIRGINIA, ITS SUCCESSORS AND ASSIGNS, ON CERTAIN PROPERTY OWNED BY THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY, LOCATED IN BURKE CENTRE (BRADDOCK DISTRICT)

WHEREAS, the Fairfax County Redevelopment and Housing Authority (hereinafter called the "Authority") is the owner in fee simple of certain Land in Fairfax County (the "Land") located in Fairfax County, Virginia, Tax Map Number: 077-2-01-0044-A, such Land being more particularly described as:

Burke Centre, Section Twenty-Four, as the same is duly dedicated and platted and recorded in Deed Book 5439 at Page 315 among the land records of Fairfax County, Virginia.

WHEREAS, the Land is subject to an Agreement of Lease (the "Lease") with Burke II – Oxford Associates (the "Lessee") for the construction and operation of affordable housing; and

WHEREAS, accessible townhouse units will be constructed on an adjacent parcel to the Land; and

WHEREAS, the Authority has been requested to grant certain easements in connection with the construction and operation of the townhouse units; and

WHEREAS, the Lease requires the consent of the Lessee and Virginia Housing Development Authority (the "Mortgagee") prior to any further encumbrance of the Land; and

WHEREAS, the Authority desires to enter into a Deed of Sewer, Public Access, and Temporary Construction and Grading Easement.

NOW THEREFORE BE IT RESOLVED that the Authority hereby authorizes its Chairman, Vice Chairman, or any Assistant Secretary to 1) seek and obtain by Lessee and Mortgagee consent to further encumbrance of the Land in accordance with the provisions of the Lease, 2) subject to obtaining those consents, to execute a Deed of Sewer, Public Access, and Temporary Construction and Grading Easement to the Fairfax County Board of Supervisors of Fairfax County, Virginia, its successors and assigns, on behalf of the Authority in accordance with the form of the Deed of Sewer, Public Access, and Temporary Construction and Grading Easement presented to the Authority on July 21, 2005, with such changes as may be deemed appropriate by such representative of the Authority to accommodate the reasonable requests of the Lessee and the Mortgagee.

The Vice Chair recused himself from any participation in or discussion of Resolution Number 49-05, since he is associated with Lutheran Social Services, which has a business relationship with Landmark Communities, developer of the projects.

A motion was made by Commissioner Kyle, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 49-05. After a brief presentation given by Bob Eiffert, Director of Senior and Specialized Housing, he responded to questions from the Commissioners.

A vote was taken, and the motion to adopt Resolution Number 49-05 carried, Commissioner Christian abstaining. The Chair thanked the County Attorney for his scrutiny of this item.

4. RESOLUTION NUMBER 50-05

AUTHORIZATION TO ENTER INTO CONTRACTS BETWEEN THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY AND COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS FOR USE OF HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS (DRANESVILLE, HUNTER MILL, LEE, MT. VERNON, PROVIDENCE, AND SPRINGFIELD DISTRICTS)

NOW, THEREFORE, BE IT RESOLVED, that the Fairfax County Redevelopment and Housing Authority (FCRHA) authorizes its Chairman, Vice Chairman, or any Assistant Secretary of FCRHA to enter into four contracts, and execute loan documents as required for use of HOME Investment Partnerships Program (HOME) funds, as approved by the Board of Supervisors, with the following non-profit organizations:

- (1) Homestretch, Inc. (Homestretch) for \$362,394 in funding for the purchase of two 3-bedroom condominiums to be used as rental housing; and
- (2) Good Shepherd Housing and Family Services (Good Shepherd) for \$242,202 in funding for the purchase of two 2-bedroom and one 3-bedroom units to be used as rental housing; and

- (3) Reston Interfaith Housing Corporation (Reston) for \$456,820 in funding for the purchase of two 3-bedroom townhouses to be acquired, rehabilitated and rented to Housing Choice Voucher holders; and
- (4) Wesley Housing Development Corporation (WHDC) for \$247,142 in funding for the purchase of four 1-bedroom and two 2-bedroom units to be used as rental housing for seniors.

BE IT FURTHER RESOLVED, that the FCRHA authorizes the HCD Loan Underwriting Committee to approve project adjustments in bedroom size due to changes in sales prices and other market conditions.

Commissioner Rau recused himself from consideration of, and participation in, any part of Resolution Number 50-05 due to his volunteer role as legal counsel to Reston Interfaith. A motion was made by Commissioner Dunn, seconded by Commissioner McAloon, to adopt Resolution Number 50-05.

A brief presentation was given by Audrey Spencer-Horsley on Resolution Number 50-05. After the presentation, Ms. Horsley responded to questions from the Commissioners. A vote was taken after discussion, and the motion to adopt Resolution Number 50-05 carried, with Commissioner Rau abstaining.

Alvin Smuzynski, Executive Director of Wesley Housing Development Corporation, made brief remarks and thanked the FCRHA for the funding. Shannon Steene, of Good Shepherd Housing, also gave brief remarks to the FCRHA.

5. RESOLUTION NUMBER 57-05

AUTHORIZATION, SUBJECT TO APPROVAL OF THE BOARD OF SUPERVISORS, FOR THE FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY TO APPLY FOR A LOAN FROM A PRIVATE LENDER FOR A PORTION OF THE FINANCING OF THE ACQUISITION OF SEVEN AFFORDABLE DWELLING UNITS AT WILLOW OAKS, AND AUTHORIZATION TO EXPEND UP TO \$943,430 FROM FUND 946, FCRHA REVOLVING DEVELOPMENT FUND, AS INTERIM FINANCING UNTIL PERMANENT FINANCING IS IN PLACE (SPRINGFIELD DISTRICT)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA), subject to approval of the Board of Supervisors, hereby authorizes the submission of an application for a loan from a private lender to be used as a portion of the financing for the acquisition of seven townhouse units at Willow Oaks; and

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes its Chairman, Vice Chairman or any Assistant Secretary to enter into a loan for financing the acquisition of seven units at Willow Oaks. In addition, the FCRHA authorizes Paula C. Sampson to act as its authorized negotiator, and further authorizes its Chairman, Vice

Chairman or any Assistant Secretary to execute all documents and agreements necessary or appropriate in connection with the loan; and

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes up to \$270,000 to be drawn down from Fund 145, Home Investment Partnerships Grant for the acquisition of two units at Willow Oaks; and

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes up to \$542,430 to be drawn down from Fund 144, Housing Trust Fund for the acquisition of units at Willow Oaks; and

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes \$943,430 to be drawn down from Fund 946, FCRHA Revolving Development Fund, for the interim financing to purchase seven units at Willow Oaks. These funds will be repaid at the time permanent financing is arranged.

A motion was made by Commissioner Kershenstein, seconded by Commissioner Dunn, that the FCRHA adopt Resolution Number 57-05. A brief presentation was given by Louise Milder, Associate Director, REFGM Division, and HCD. After the presentation, Ms. Milder responded to questions from the Commissioners.

A vote was taken and the motion to adopt Resolution Number 57-05 carried unanimously.

ADMINISTRATIVE ITEMS - Cont'd

Administrative items Numbers 1 and 2, Resolutions Numbers 51-05 and 52-05, were considered and adopted earlier during the meeting.

3. RESOLUTION NUMBER 53-05

AUTHORIZATION TO EXECUTE A CONTRACT AMENDMENT FOR PROFESSIONAL SERVICES FOR THE GLENWOOD MEWS PROJECT, SUBJECT TO BOARD OF SUPERVISORS APPROVAL (LEE DISTRICT)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA):

1. Approves the execution of a contract amendment for professional services for the Glenwood Mews project with Samaha Associates P.C. in the amount of \$122,095, which results in a revised contract amount of \$152,470, subject to approval by the Board of Supervisors on July 25, 2005; and

2. Authorizes the Chairman, Vice Chairman, or any Assistant Secretary on behalf of the FCRHA to execute and deliver all necessary or appropriate documents

relating to the execution of the contract amendment for professional services for the Glenwood Mews project with Samaha Associates, P.C.

A motion was made by Commissioner McAloon, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 53-05. Cynthia Ianni, Senior Program Manager, DD&C Division, HCD, gave a brief presentation. After the presentation she responded to questions from the Commissioners. A vote was taken, after discussion, on Resolution Number 53-05, and the motion carried unanimously.

Commissioner McAloon thanked staff for incorporating universal design in the units.

4. RESOLUTION NUMBER 54-05

AUTHORIZATION TO REVISE THE FEE STRUCTURE FOR
THE LINCOLNIA ASSISTED LIVING FACILITY

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority hereby authorizes and directs the Department of Housing and Community Development to revise the fee structure for the Lincolnia Assisted Living Facility to provide that beginning October 1, 2005 each new resident at the Lincolnia Assisted Living Facility shall pay a monthly fee amount equal to the individual Auxiliary Grant (AG) rate, as described in the item presented to the FCRHA as its July 21, 2005 meeting, then in effect, as the AG rate may be revised from time to time; or each new or existing resident shall pay a monthly fee equal to their income minus a personal needs allowance minus their medical expenses; and

BE IT FURTHER RESOLVED THAT, in order to prevent undue hardship on current residents, such new fee schedule shall be phased in and applied to current residents incrementally from FY 2006 through FY 2009, beginning on October 1, 2005 in the steps as outlined in the item presented to the FCRHA at its July 21, 2005 meeting.

A motion was made by Commissioner Jasper, seconded by Commissioner McAloon, that the FCRHA adopt Resolution Number 54-05. A brief presentation was given by Mr. Eiffert, after which he responded to questions from the Commissioners.

Commissioner Kershenstein raised an issue concerning the "look back" provision that is used for some federal programs. After further discussion, Resolution Number 54-05 was deferred for further consideration and analysis at the September HOMS and Finance Committee meetings for further analysis to consider incorporating a look-back provision in the item.

Chairman Egan asked Mr. Eiffert to coordinate with the Commissioners who have expressed interest in this item to ensure that their views are reflected in the item before it is brought back to the FCRHA

5. RESOLUTION NUMBER 55-05

APPROVAL OF PROPOSED REVISIONS TO
THE MODERATE INCOME DIRECT SALES (MIDS) PROGRAM

BE IT HEREBY RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) approves implementation of revised Moderate Income Direct Sales (MIDS) Program set forth in the item presented to the FCRHA at its meeting on July 21, 2005, including the following recommendations:

1. Repurchase all available MIDS units and not waive the right to repurchase MIDS units unless there are the extreme title problems with the unit or a satisfactory substitute replacement unit is provided. Resell the repurchased MIDS units through the FTHB program or to qualifying immediate family members with a new 30-year First-Time Home Buyer Covenants. If HCD does not recommend resale of a unit to a qualifying First-Time Home Buyer through the FTHB program or family member, the resale plan would be brought back to the FCRHA for approval in accordance with the item presented.
2. Allow controlled repurchase price increases for replacements and improvements in the same manner as set forth in the ADU regulations. Provide rehabilitation of units funded through commensurate increases in repurchase resale prices, subsidies from the FCRHA, subsidies to the buyer or the transfer to an approved non-profit for rehabilitation and resale to a qualified buyer with an affordability period equal to the then current ADU initial control period.
3. Establish the "Preservation Bonus" described in the accompanying item to encourage owners to resell units and keep them as affordable housing resources.
4. Establish the MIDS Rehabilitation Loan Program, a forgivable loan program, initially funded by HOME funds for major improvements made by existing owners, or new purchasers. The loans will use the same underwriting standards as the HILP loan criteria with deferred payments. The loans would accrue interest annually for a fifteen (15) year term, at the end of fifteen (15) years the loan will be forgiven. Borrowers must meet HOME income requirements. The Loan Underwriting Committee is authorized to add the cost of approved improvements to the calculated resale price of the unit at the time of completion.

BE IT FURTHER RESOLVED that the FCRHA hereby authorizes that these revisions be incorporated into current MIDS program regulation.

A motion was made by Commissioner Jasper, seconded by Commissioner McAloon, that the FCRHA adopt Resolution Number 55-05. A brief presentation was made by Bonnie Conrad of the Home Ownership Program. After the presentation, Ms. Conrad responded to questions from the Commissioners. Further discussions were held. With consultation with other Commissioners and without objection, the Chair deferred Resolution Number 55-05 to the September meeting to be further analyzed at the committee level before forwarding it to the FCRHA.

6. RESOLUTION NUMBER 56-05

AUTHORIZATION TO SUBMIT SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP) CERTIFICATION AND PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS) MANAGEMENT OPERATIONS CERTIFICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

BE IT RESOLVED that the Fairfax County Redevelopment and Housing Authority authorizes the submission of the Section 8 Management Assessment Program (SEMAP) certification and the Public Housing Assessment System (PHAS) Management Operations certification to the U.S. Department of Housing and Urban Development (HUD) for the fiscal year ending June 30, 2005.

A motion was made by Commissioner Jasper, seconded by Commissioner Dunn, that the FCRHA adopt Resolution Number 56-05. A brief presentation was given by Michael Wever, Chief, Human Services Branch. After the presentation, Mr. Wever responded to questions from the Commissioners. A vote was taken after discussion, and the motion carried unanimously.

Without objection, the Chair modified the agenda to consider the information items before the Closed Session items.

INFORMATION ITEMS:

1. Fairfax County Redevelopment and Housing Authority Meeting Summary – May 26, 2005
2. Contracts of \$50,000 or Less
3. Summary of the Special Meeting of the Fairfax County Redevelopment and Housing Authority on Revitalization – June 8, 2005

4. Extension of the FCRHA's Revolving Line of Credit with the SunTrust Bank of Virginia
5. Affordable Dwelling Unit (ADU) Tracking Report – *brief discussion*
6. At-Risk Housing Projects Semiannual Report: Status of the Project-Based Section 221(d)(3)/236, and Bond Financed Developments and Non-Subsidized Housing with Modest Rents in Fairfax County – *presentation by Michael Pearman, HCD Management Analyst, and brief discussion. Mr. Pearman was asked to verify some figures in the item and inform the Commissioners of the accuracy of those figures.*
7. Fairfax County Redevelopment and Housing Authority Calendar of Meetings for August and September 2005 – *brief discussion*

CLOSED SESSION

A motion was made by Commissioner Dunn, seconded by Commissioner Kershenstein, that the Fairfax County Redevelopment and Housing Authority (FCRHA) go into Closed Session for (a) discussion and consideration, pursuant to Virginia Code Section 2.2-3711(A)(3), of the acquisition of real property for a public purpose where discussion in an open meeting would adversely affect the negotiating or litigating posture of the FCRHA. The motion carried and the FCRHA went into Closed Session at 8:53 p.m.

OPEN MEETING RESUMED

A motion was made by Commissioner Dunn, seconded by Commissioner Kershenstein, that that the members of the Fairfax County Redevelopment and Housing Authority certify that to the best of their knowledge only public business matters lawfully exempted from the open meeting requirements prescribed by the Virginia Freedom of Information Act and only matters identified in the motion to convene Closed Session were heard, discussed or considered by the Fairfax County Redevelopment and Housing Authority during Closed Session.

A vote was taken by roll call as follows:

AYE

Conrad Egan
Ronald Christian
Martin Dunn
Willard Jasper
John Kershenstein
Charlen Kyle
Elisabeth Lardner
John Litzenberger, Jr.
Albert McAloon
Lee Rau

NAY

ABSTAIN

The motion carried, and the FCRHA resumed open meeting at 9:07 p.m.

ACTION ITEMS - cont'd

6. RESOLUTION NUMBER 58-05 (as corrected)

AUTHORIZATION TO NOT CURE AND/OR BID/PURCHASE AT THE
FORECLOSURE SALE OF 10867 MURRAY DOWNS COURT, RESTON, VA 22171,
AN AFFORDABLE DWELLING UNIT (ADU) IN THE HUNTER MILL DISTRICT

BE IT HEREBY RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA)

1. Authorizes bidding at the foreclosure sale for the purchase of the ADU Property not to exceed the amount presented by staff in Closed Session; and
2. Authorizes the Chairman, Vice Chairman, or any Assistant Secretary, to negotiate and to execute any and all documents necessary to purchase the Property and resell the Property in accordance with the foreclosure guidelines as presented by staff in Closed Session; and
3. Authorizes drawing upon Fund 143, Moderate Income Direct Sale (MIDS) Resale Project, not to exceed the amount presented by staff in Closed Session to cover or acquisition and carrying costs to be repaid from the sale of the unit as a First-Time Homebuyer-Direct Sales Unit to a program qualified First-Time Homebuyer.

A correction was made to Resolution Number 58-05, changing the district from Springfield to Hunter Mill.

A motion was made by Commissioner Rau, seconded by Commissioner Jasper, that the FCRHA adopt Resolution Number 58-05, as corrected and as discussed in Closed Session. A vote was taken, and the motion carried unanimously.

7. RESOLUTION NUMBER 59-05

DENIAL OF REQUEST FOR RELEASE OF MODERATE INCOME DIRECT SALES
(MIDS) REPURCHASE RIGHTS AND ALL OTHER RIGHTS HELD BY THE FAIRFAX
COUNTY REDEVELOPMENT AND HOUSING AUTHORITY FOR THE MIDS
PROPERTY LOCATED AT 8456 LAZY CREEK COURT, SPRINGFIELD, VA 22153
(MOUNT VERNON DISTRICT)

BE IT HEREBY RESOLVED that the Fairfax County Redevelopment and Housing Authority (FCRHA) denies the request made by letter of May 31, 2005, from the property owner for release of the FCRHA's repurchase rights and all its other property

rights on the MIDS property located at 8456 Lazy Creek Court, Springfield, VA 22153 A motion was made by Commissioner Lardner, seconded by Commissioner Christian, that the FCRHA adopt Resolution Number 59-05, as discussed in Closed Session. A vote was taken, and the motion carried unanimously. The Chair thanked the County Attorney for attending the Closed Session and giving his feedback.

BOARD MATTERS – See Attachment #1

ADJOURNMENT

A motion was made by Commissioner Kershenstein, seconded by Commissioner Jasper, to adjourn the meeting at 9:20 p.m. A vote was taken and the motion carried unanimously.

(Seal)

Conrad Egan, Chair

Paula C. Sampson, Assistant Secretary